

## AFDC – Foster Care

### DESCRIPTION OF MAJOR SERVICES

This program provides aid payments for children living in foster homes and group-care facilities. The Foster Care caseload consists of cases from both the Department of Children's Services (DCS) (approximately 90%) and Probation (approximately 10%). The cost of Probation related foster care cases is approximately 4.5 times greater than DCS cases due to the higher levels of care required for these juveniles.

There are two funding eligibility criteria in the Foster Care Program, federal (federal, state and county participation) and non-federal (state and county only). Foster Care placements are generally eligible for federal financial participation if the parents meet the previous Aid to Families with Dependent Children (AFDC) Program criteria.

- For federally eligible (federal) cases, the cost-sharing ratios are approximately 43% federal, 22% state, and 35% county.
- For non-federally eligible (non-federal) cases, the cost-sharing ratio is 40% state and 60% county.
- All county share-of-cost is mandated and is reimbursed from Social Services Realignment and the county general fund.

Additionally, this budget unit provides \$1.0 million in funding annually to the Probation Department to assist with the placement costs and case management services for youth placed in the Fouts Springs Youth Facility. This facility is a boot-camp type of facility and is used as a diversionary program for delinquent youth.

There is no staffing associated with this budget unit.

### BUDGET AND WORKLOAD HISTORY

	<b>Actual 2003-04</b>	<b>Budget 2004-05</b>	<b>Actual 2004-05</b>	<b>Budget 2005-06</b>
Appropriation	96,259,224	100,802,968	96,488,529	104,436,782
Departmental Revenue	82,481,186	87,328,206	82,904,560	89,700,112
Local Cost	13,778,038	13,474,762	13,583,969	14,736,670
<b><u>Workload Indicators</u></b>				
Non-Federal Annual Paid Cases	14,232	14,148	14,648	14,556
Non-Federal Avg Paid Cases per Month	1,186	1,179	1,221	1,213
Non-Federal Avg Monthly Aid per Case	1,483	1,602	1,540	1,581
Federal Annual Paid Cases	43,131	42,216	42,989	42,672
Federal Avg Paid Cases per Month	3,594	3,518	3,582	3,556
Federal Avg Monthly Aid per Case	1,712	1,825	1,748	1,885

Foster Care caseload has remained relatively stable in recent years. Caseload experienced a sudden increase during the 2<sup>nd</sup> quarter of 2004-05 but has steadily decreased since that time. Overall, caseload numbers exceeded those included in the 2004-05 budget by 1,273, or 2.2%.

Costs for these cases have increased significantly in recent years due to the severe statewide shortage of foster family homes and intensive treatment facilities for seriously troubled children. These children were being placed in higher cost foster family agencies (FFA) and group homes. DCS implemented a "Family to Family" program in 2004-05. One of the goals of the program is to place children in their own neighborhoods and reduce placements in group homes and FFAs whenever possible. Subsequently, the number of children placed in FFAs stabilized and the number of group home placements decreased slightly. This resulted in a smaller cost increase than originally projected. The average grant for 2004-05 was budgeted to increase 7% from the previous year but actually increased only 2%.

Additional revenue of \$819,252 was collected as a result of child support collection reimbursements. This revenue was not included in the 2004-05 budget because the Governor proposed that the state retain the county share of child support collections in his 2004-05 budget proposals. The final state budget restored these reimbursements to counties.



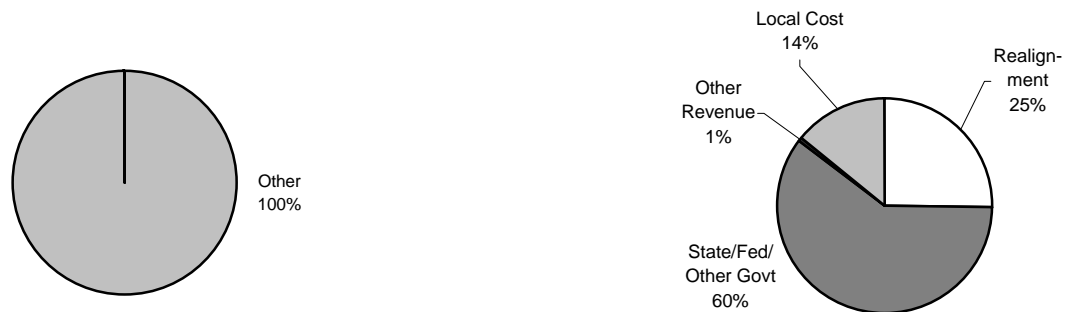
Due to the lower caseload cost and the additional revenue, this budget unit realized a local cost savings of \$1.8 million. Some realignment revenue was shifted to budget unit AAB SED in an effort to keep that budget unit within local cost targets. This allowed Human Services (HS) to remain within local cost targets in the overall subsistence payment budget units for 2004-05.

Foster Care caseload has remained relatively stable in recent years. After experiencing unanticipated caseload increases in the first half of 2004-05, the department is projecting that the decline trend will slow in 2005-06. Federal cases are projected to remain stable at the actual 2004-05 monthly average number of cases. Non-federal cases are estimated to remain steady at the projected June 2005 caseload.

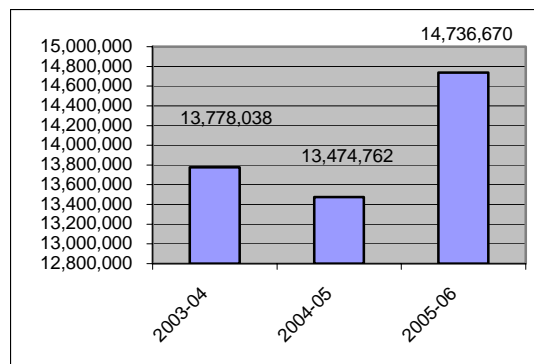
It is projected that the costs for these cases will continue to increase. The average cost per case in 2005-06 is projected to increase approximately 4% over the actual costs being experienced in 2004-05.

Additional revenue of \$700,000 is projected as a result of Child Support Collection reimbursements. This revenue was not included in the 2004-05 budget because the Governor proposed that the state retain the county share of child support collections in his 2004-05 budget proposals. The final state budget restored these reimbursements to counties.

#### 2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY      2005-06 BREAKDOWN BY FINANCING SOURCE



#### 2005-06 LOCAL COST TREND CHART



**GROUP: Human Services**  
**DEPARTMENT: AFDC - FOSTER CARE**  
**FUND: General**

**BUDGET UNIT: AAB BHI**  
**FUNCTION: Public Assistance**  
**ACTIVITY: Aid Programs**

	2004-05 Actuals	2004-05 Final Budget	2005-06 Board Approved Base Budget	2005-06 Board Approved Changes to Base Budget	2005-06 Final Budget
<b>Appropriation</b>					
Other Charges	95,519,773	99,702,968	106,305,422	(2,851,940)	103,453,482
Transfers	968,756	1,100,000	1,100,000	(116,700)	983,300
Total Appropriation	96,488,529	100,802,968	107,405,422	(2,968,640)	104,436,782
<b>Departmental Revenue</b>					
Realignment	23,912,306	28,188,507	28,468,101	(1,938,431)	26,529,670
State, Fed or Gov't Aid	58,152,848	59,139,699	63,400,651	(930,209)	62,470,442
Current Services	819,252	-	-	-	-
Other Revenue	20,154	-	800,000	(100,000)	700,000
Total Revenue	82,904,560	87,328,206	92,668,752	(2,968,640)	89,700,112
Local Cost	13,583,969	13,474,762	14,736,670	-	14,736,670

**DEPARTMENT: AFDC - FOSTER CARE**  
**FUND: General**  
**BUDGET UNIT: AAB BHI**

**BOARD APPROVED CHANGES TO BASE BUDGET**

Brief Description of Board Approved Changes	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
1. Other Charges Resulting from a decreased caseload projection. At the time of the 2004-05 projection, caseload had experienced a very large jump in October 2004. Caseload has since been declining steadily, and is projected to be lower than originally estimated.	-	(2,851,940)	-	(2,851,940)
2. State Realignment Decreased caseload projection resulting in decrease of costs. At the time of the 2005-06 projection, caseload had experienced a very large jump in October 2004. Caseload has since been declining steadily, and is projected to be lower than originally estimated. Also, CalWORKs Incentive funds are now being used to reimburse the Probation Department for placement costs and case management services for youth placed at the Fouts Springs.	-	-	(1,938,431)	1,938,431
3. State Revenue Decreased caseload projection resulting in decrease of costs and decrease of state reimbursements. At the time of the 2005-06 projection, caseload had experienced a very large jump in October 2004. Caseload has since been declining steadily, and is projected to be lower than originally estimated. Whether or not reporting errors discovered after the implementation of C-IV effected the caseload numbers is still undetermined.	-	-	(584,409)	584,409
4. Federal Revenue Decreased caseload projection resulting in decrease of costs and decrease of federal reimb. At the time of the 2005-06 projection, caseload had experienced a very large jump in October 2004. Caseload has since been declining steadily, and is projected to be lower than originally estimated. Whether or not reporting errors discovered after the implementation of C-IV effected the caseload numbers is still undetermined.	-	-	(1,329,100)	1,329,100
5. State - Aid for Children Incentive funds used for Fouts Springs (8665). Paid for in previous years with realignment funds.	-	-	983,300	(983,300)
6. Transfer to Probation for Fouts Springs Facility At time of the 2005-06 projection, HS had reimbursed Probation \$1.1 mil per year. It is now projected to be only \$983,300.	-	(116,700)	-	(116,700)
7. Other Revenue Child Support Collections estimated to be \$100,000 less than at time of 2005-06 projection.	-	-	(100,000)	100,000
<b>Total</b>	-	(2,968,640)	(2,968,640)	-

